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INTRODUCTION

Girl Scouts, Irish Hills Council entered into contract #BA-02-38003 with the Michigan Family Independence Agency (FIA) to provide an After-School Program for girls ages 5 to 16. The girls participated in academic development activities, conflict resolution, pregnancy prevention, anger management, and career exploration programs. The contract totaled \$135,444.30 and covered the period August 15, 2001 through June 15, 2002. Girl Scouts, Irish Hills Council was reimbursed for actual costs incurred, through the submission of monthly billings to FIA.

SCOPE

The Office of Internal Audit performed an audit of Girl Scouts, Irish Hills Council, to determine if their billings were accurate, allowable, and properly supported by the accounting records and supporting documentation in accordance with the terms of the contract. Our review covered the period October 1, 2001 through April 30, 2002.

EXECUTIVE SUMMARY

Based on our audit, we conclude that Girl Scouts, Irish Hills Council has overbilled FIA \$1,746 for salaries and fringe benefits. Our report recommends the Field Operations Administration initiate the process to recoup \$1,746 from Girl Scouts, Irish Hills Council.

AGENCY RESPONSE

The management of Girl Scouts, Irish Hills Council has reviewed the findings and recommendations included in this report. They indicated in a telephone conversation on July 26, 2002, that they are in general agreement with the report.

FINDINGS AND RECOMMENDATIONS

Salaries

1. Girl Scouts, Irish Hills Council overbilled FIA \$964 for salaries due to improper allocation of employees' time. Two employees who did not work on the BA contract were billed in error under the salaries line item.

FICA Tax

2. Girl Scouts, Irish Hills Council overbilled FIA \$572 for FICA on the salaries that were overbilled in finding #1.

Retirement Costs

3. Girl Scouts, Irish Hills Council overbilled FIA by \$210 for retirement costs. The retirement costs were allocated for one employee who did not work on the BA contract and was billed in error.

WE RECOMMEND the Field Operations Administration initiate the process to recoup \$1,746 from the Girl Scouts, Irish Hills Council.

Case File Review

4. We reviewed a sample of 20 case files out of a population of 122 participants for the period October 2001 through March 2002 and found all TANF and survey forms were on file.